# Suncare Category Review Grocery & High Street

SUMMARY 2017 VS SUMMARY 2018

# e.fundamentals
# eCommerce insights platform for brands

- Every day across **10 countries** and **52 retailers** e.fundamentals gathers what shoppers see on online retailers and turns the data into insights that are **relevant , valuable and actionable** for sales and marketing managers.

- The following Suncare insights leverage our proprietary The 8 fundamentals; the 8 areas brands need to get right to **win online**.


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# e.fundamentals Suncare Summary Part 1

- **Market Segmentation;** Across the market, listings declined slightly year on year, putting pressure on manufacturers to fight for space on the digital shelf.  There was a slight reduction in listings in the large ‘Self Tan’ segment and also the smaller ‘Kids Protection’ but growth in ‘Adults Sun Protection’ and ‘Aftersun’ ranges as more products specifically for the face, such as aftersun masks or day creams with high SPFs were listed
- **Retailer Share**: The decline in range was driven by Superdrug, Asda, Tesco, Wilko and Ocado
- **Brand Share**; Ambre Solaire overtook Nivea as the brand with the largest number of listings across the retailers we analysed.
- **Brand Share of Search**; Nivea, retained a higher share of page 1 search, it will be harder for brands to break onto page 1 of search given the prominence of Nivea and Ambre Solaire
- **Brand Growth**; There were pockets of growth, both for Brands and Own Label. Eucerin gained the most branded listings with their sensitive and anti ageing.

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**Source**: e.fundamentals; Suncare category total. national sites only, or central London postcode where required
**Note**; New Listings include name changes, different variants,  pack weights, listings new to the retailer, but not necessarily the market

# e.fundamentals Suncare Summary Part 2

- **Promotional strategy** can heavily influence unit pricing and 2018 saw fewer promotions overall vs 2017 and few multibuys specifically. Morrisons, Tesco and Asda moved more towards Price Cuts as a promotional mechanic.
- **NPD**; The category continues to command price premiums for NPD – up to 29% in Tesco, particularly as product convergence and multi functional products drive new listings. We now see more segmented products in suncare ranges, such as new formats such as face masks in aftersun, sun protection with added benefits such as protection from pollution and different usage occasions, such as sun cream for skiing.
- **Taxonomy**: The positioning of products solely in 'holiday' areas may miss opportunities to encourage people to wear SPF every day. More dual siting should be investigated.
- **Images**: Currently the top products on category pages don't make it easy for shoppers to instantly see product benefits such as SPF or features such as product size

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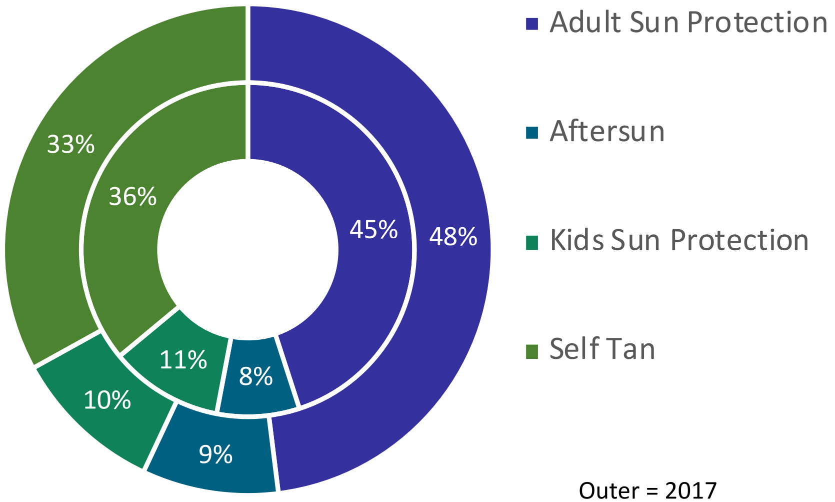
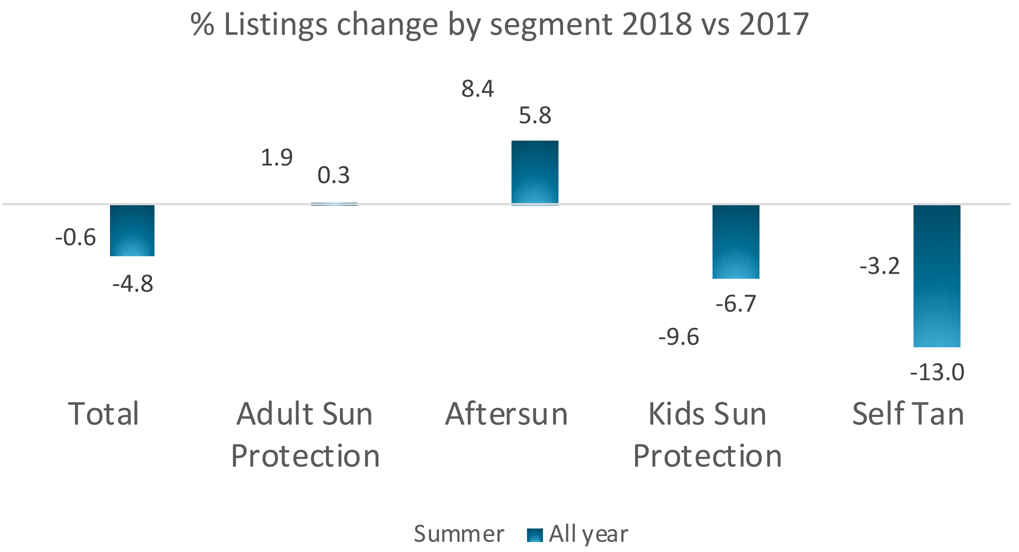
# Market Segmentation

- The number of listings across grocery & high street retailers was down overall slightly year on year when looking at both the full 52 weeks and also the peak summer period May - September




2017 = **2,531** listings
2018 = **2,410** listings (-4.8%)

- **Self Tan** had a bigger off-season loss in listings in 2018
- **Growth** in Adult Sun Protection and Aftersun

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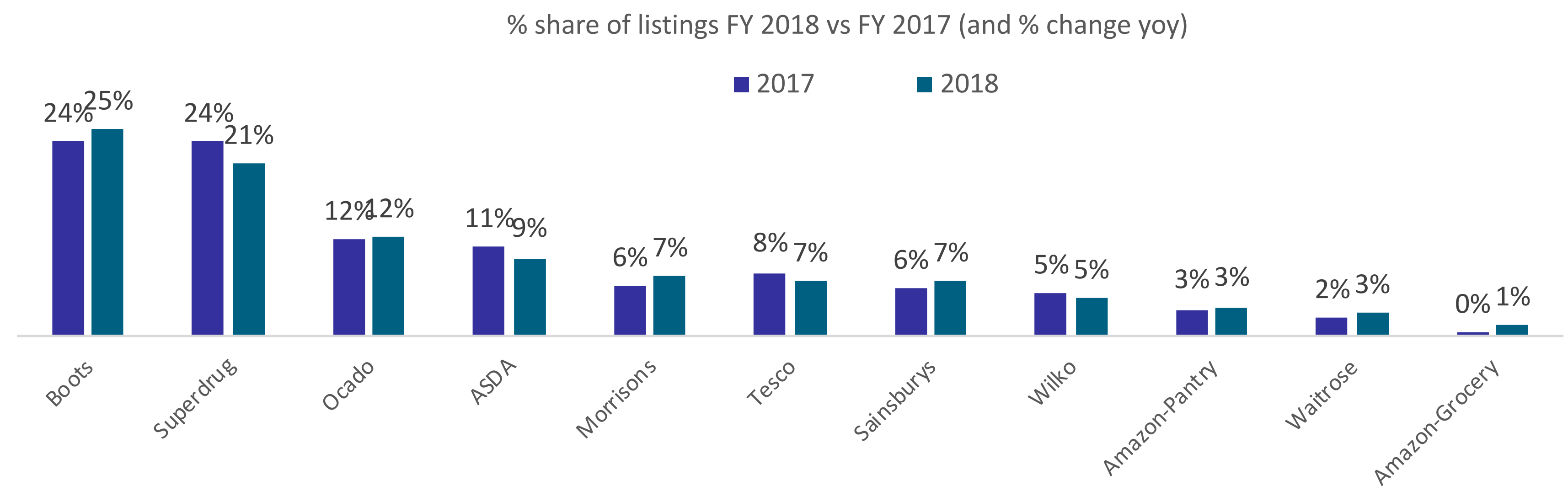
Summer 2017 = w/c 1.5.2017 to w/c 25.9.2017, Summer 2018 = w/c 30.4.2018 to w/c 24.9.2018. FY 2017 w/c 13.3.2017 to 5.3.2018. FY 2018 w/c 12.3.2018 to 4.3.2019

# Retailer Share

- The overall range decline of 4.8% yoy was driven by decreases in Superdrug, Asda, Tesco & Wilkos and Ocado




| Total Listings Change yoy | +/- |
|---|---|
| Amazon-Grocery | 21 |
| Morrisons | 19 |
| Sainsburys | 15 |
| Boots | 10 |
| Waitrose | 9 |
| Amazon-Pantry | 3 |
| Ocado | -5 |
| Wilko | -20 |
| Tesco | -35 |
| Asda | -46 |
| Superdrug | -92 |
| | - 121 |

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# Retailer Index

- High street retailers over index their portfolio to self tanning products, despite having reduced their listings, whereas Grocery focus on Adult and Kids protection (red = category under indexes vs the retailer's total share)

| % share of listings per segment | Adult Sun Protection | Aftersun | Kids Sun Protection | Self Tan | Total |
|---|---|---|---|---|---|
| Boots | 26% | 24% | 23% | 25% | 25% |
| Superdrug | 17% | 15% | 9% | 34% | 22% |
| Ocado | 13% | 9% | 11% | 9% | 11% |
| ASDA | 11% | 12% | 17% | 8% | 11% |
| Tesco | 6% | 6% | 11% | 7% | 7% |
| Morrisons | 7% | 6% | 6% | 6% | 6% |
| Sainsburys | 7% | 6% | 10% | 4% | 6% |
| Wilko | 5% | 7% | 7% | 3% | 5% |
| Amazon-Pantry | 4% | 4% | 4% | 1% | 3% |
| Waitrose | 3% | 2% | 2% | 2% | 2% |
| Amazon-Grocery | 0% | 9% | 0% | 0% | 1% |

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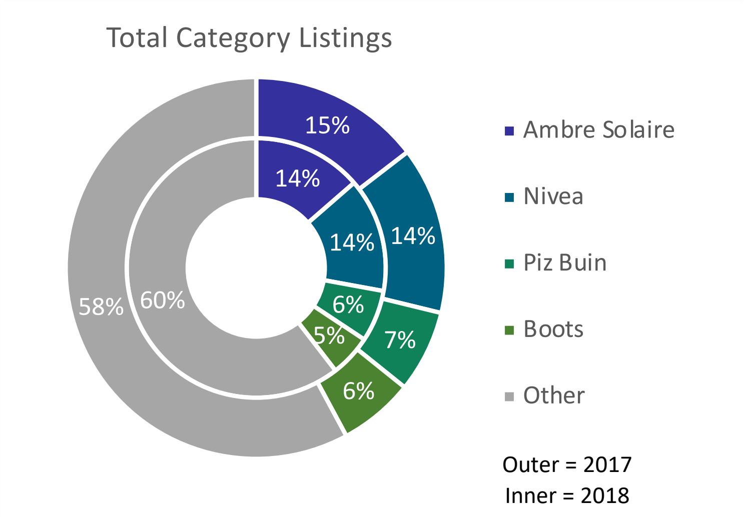
# Brand Share

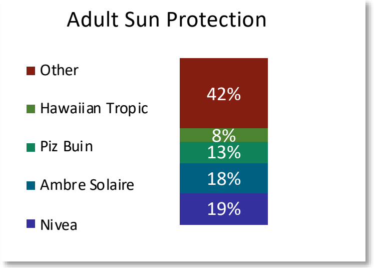
- Ambre Solaire has the largest presence in the market in 2018 followed closely by Nivea (just 0.4pp difference), a change from 2017 where Nivea had more listings by 0.6pp.

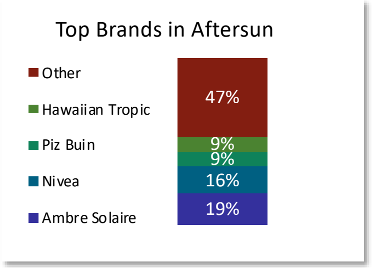
2 of the top 4 Kids brands differ to Adults and Aftersun
Only Ambre Solaire has a top 4 presence in all segments.
Nivea lost -18 listings whilst Ambre Solaire gained +7

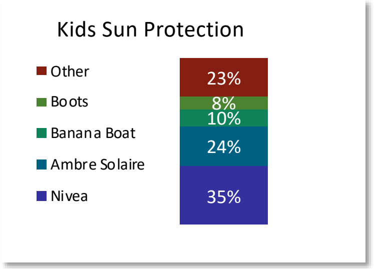


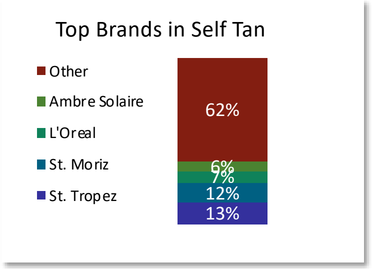

- Hawaiian Tropic doesn’t have a range specifically targeting the Kids or Self Tan segment, (as Edgewell have the Banana Boat brand in the kids segment).

- Boots Own Label is ranged across the segments, so takes the spot for 4th largest listings overall

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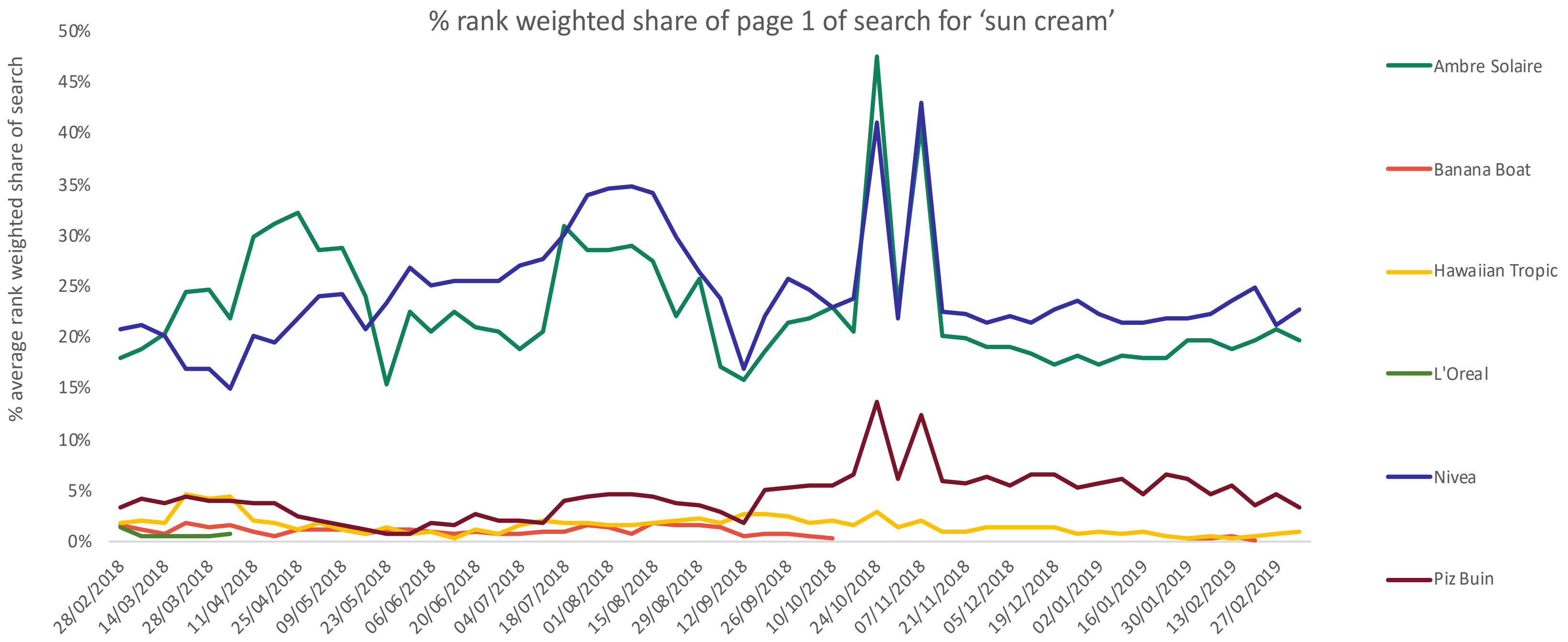
# Brand Share of Search

- Nivea retained a higher share of search for ‘sun cream’ than Ambre Solaire overall. The 2 most widespread brands have the highest share of search, indicating that they also appear higher on the page. Other top brands trail and given the prominence of Nivea and Ambre Solaire may find it hard to cut through.

- The Autumn peak was driven by Ocado half price and multibuy clearance sales across Ambre Solaire, Nivea and Piz Buin

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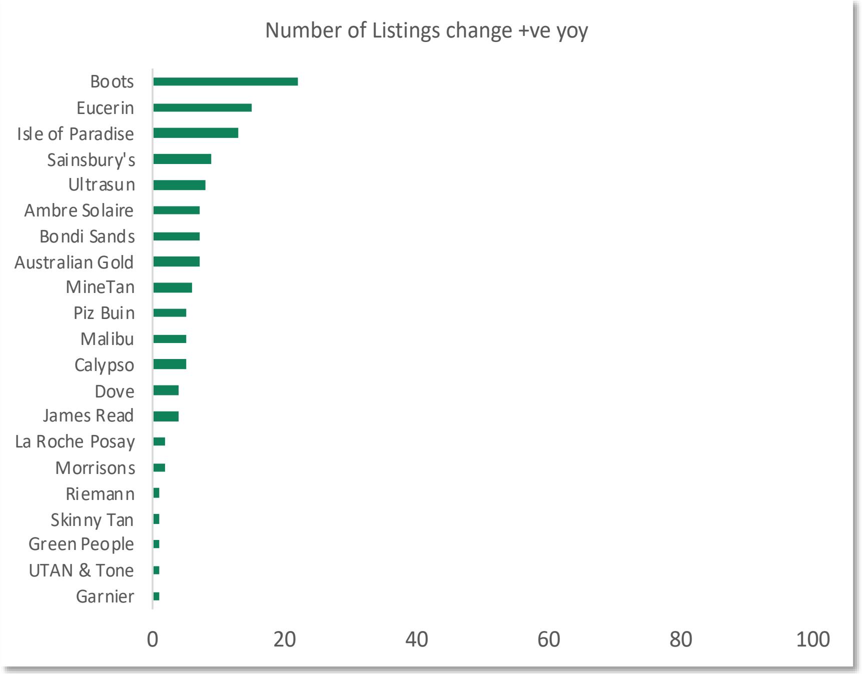
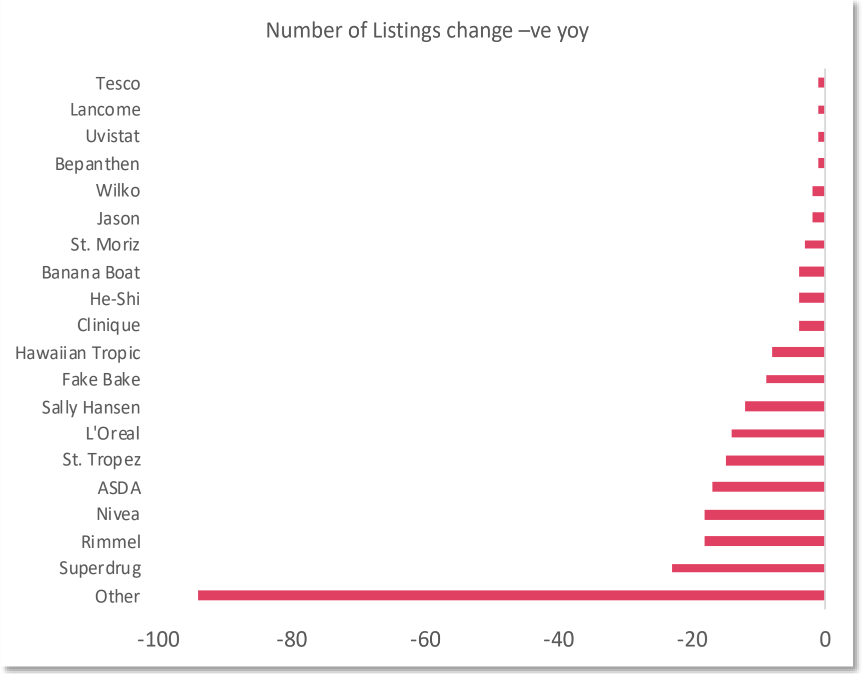
# Brand Growth

- There were pockets of growth in the range and Boots growth in Own Label was similar to Superdrug's loss, showing different tactics on the High Street

| Net Change yoy | |
|---|---|
| Brand Change | -5.1% |
| Own Label | -3.0% |

- Eucerin gained listings with their anti ageing face creams and sensitive skin ranges

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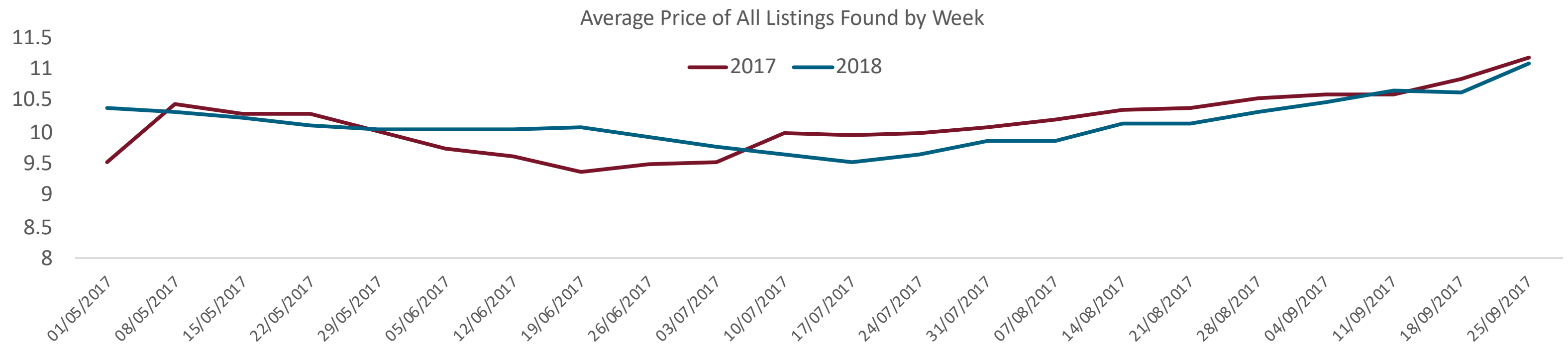
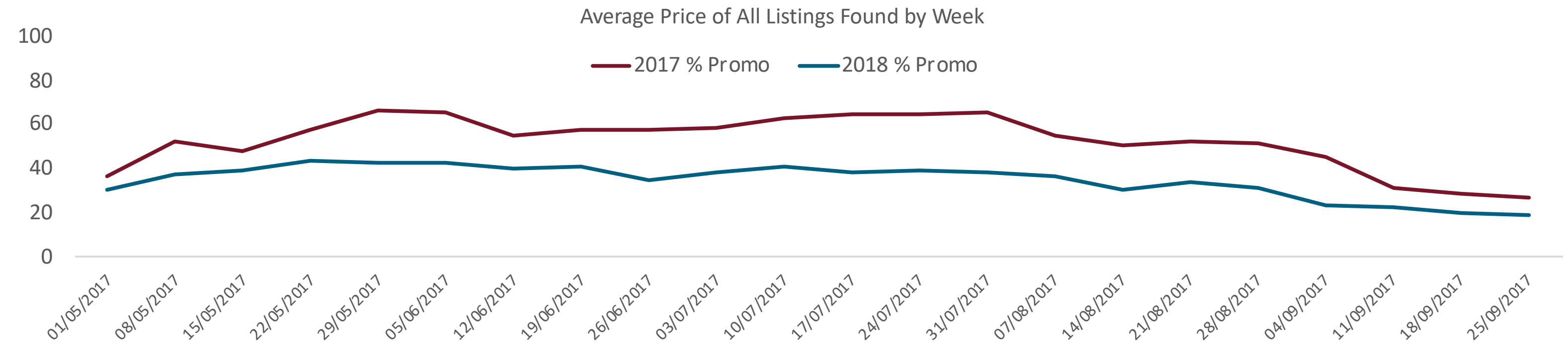
# Average Price

- Average Price was lower in Summer 2018 and the % of listings on promotion was also lower, suggesting a decrease in base prices or different promotional strategies.

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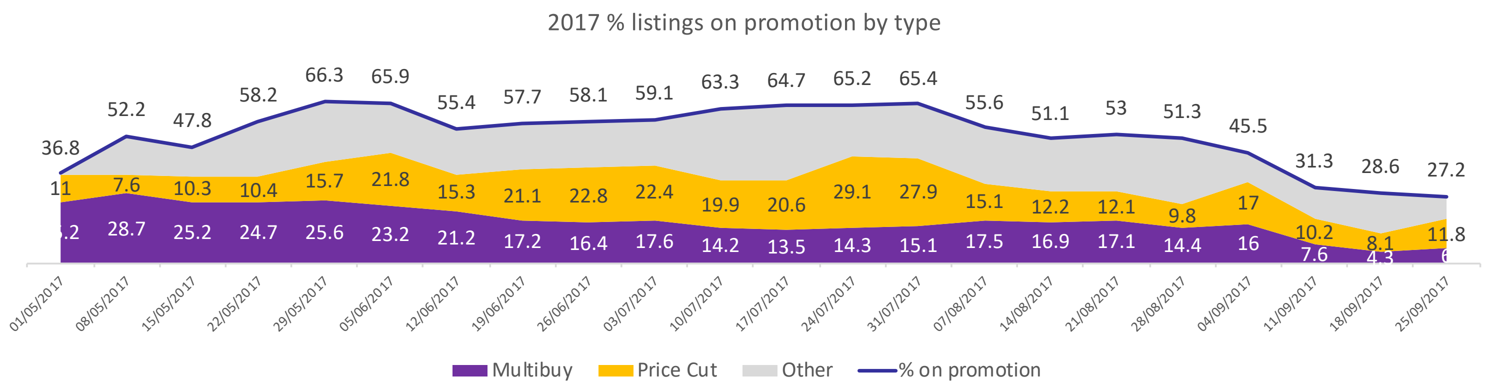
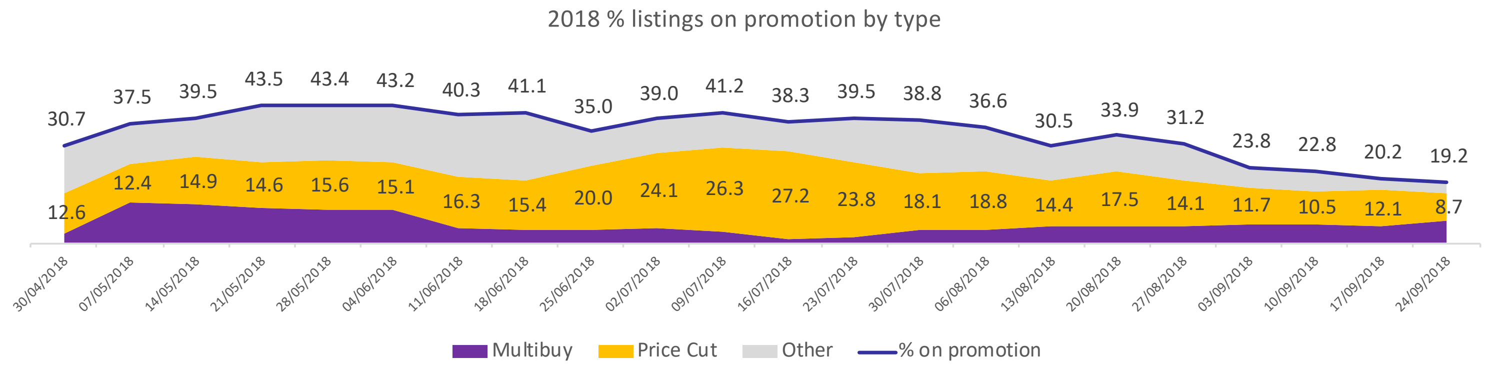
# Promotional Strategy




- There were fewer multibuy deals in the market in 2018, meaning the price cut was directly applicable to the SKU, keeping individual SKU prices lower rather than encouraging higher weight of purchase to access lower prices

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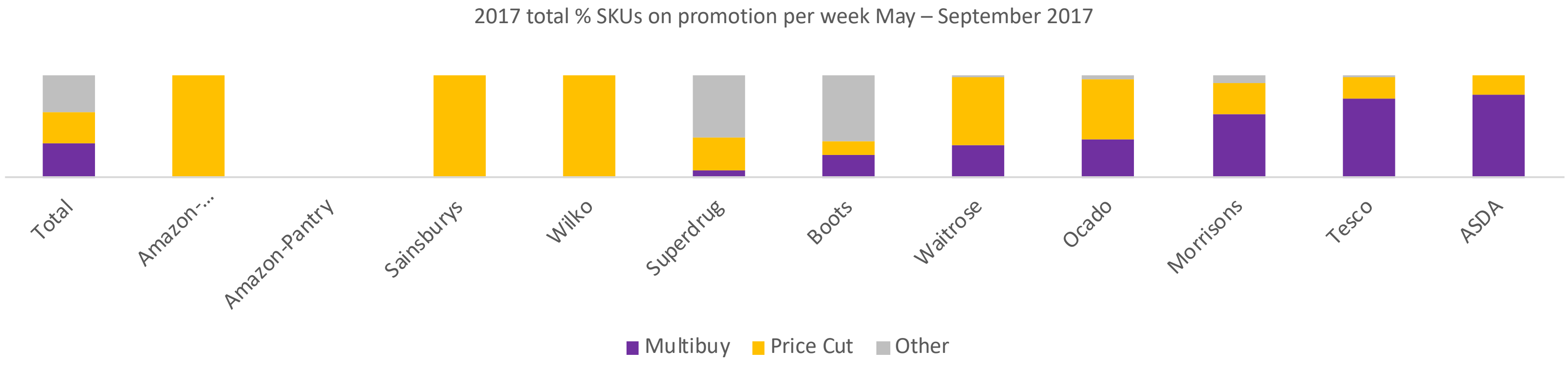
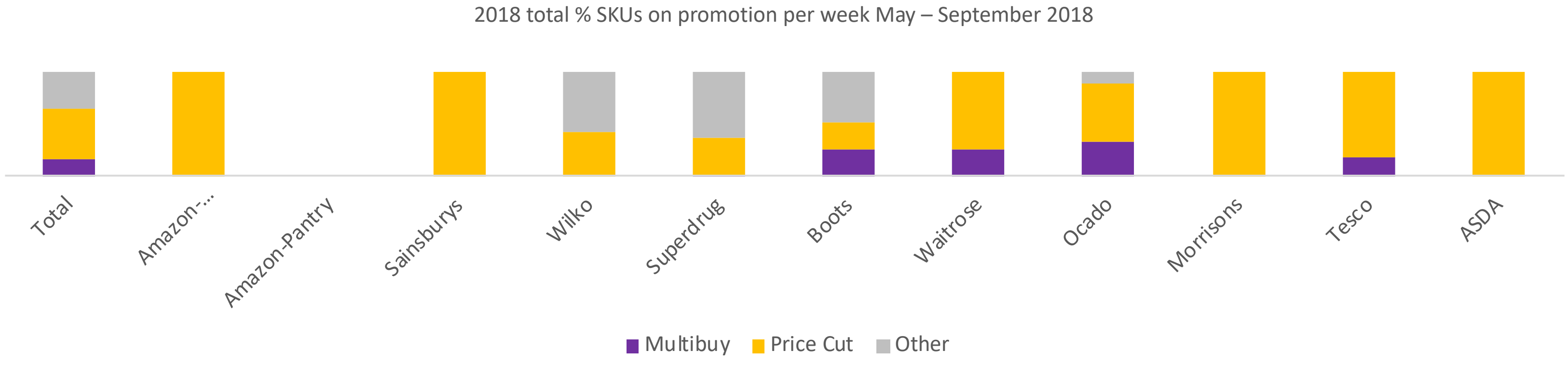
**Source**; national sites only, or central London postcode where required

# Promotional Strategy

- Asda, Tesco, Morrisons and Superdrug significantly cut the volume of multibuys vs 2017. Boots, Ocado and Waitrose continued with similar strategy year on year.

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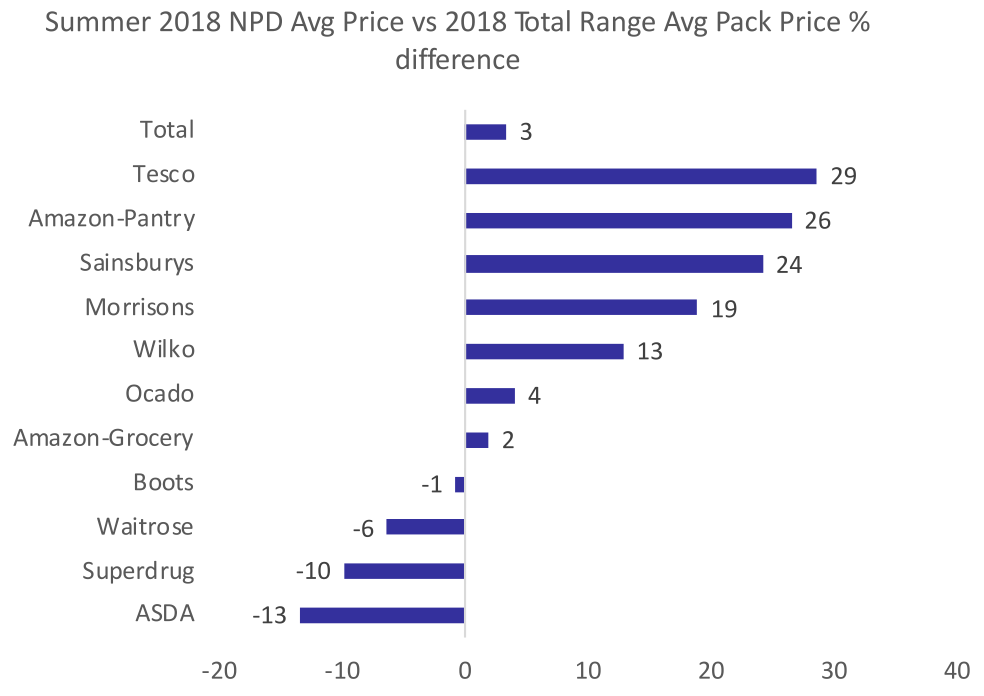
# NPD

- Given the focus on new occasions and product convergence, a premium on new listings is evident overall and, particularly in Tesco, Amazon Pantry and Sainsbury's, where new listings cost over 20% more than average.  Boots, Waitrose, Superdrug and Asda focused on decreasing prices, perhaps opening up ranges to more price conscious shoppers.
- New listings tended to focus on targeted untapped segments in terms of usage or product convergence
  - **Usage occasions**; i.e. Ambre Solaire's 'Ski sunscreen'
  - **Formats**; i.e. Ambre's Solaires, after sun mask
  - **Skin Type**; i.e. Nivea Kids Sensitive Trigger spray
  - **Extra protection** i.e. Hawaiin Tropic's Duo Defence, to guard against pollution and Boots Soltan Protect & Repell with insect repellent
  - **Convergence with self tan** i.e. Australian Gold's Spray with instant Bronzer
  - **Kids Fun** – Nivea Kids coloured roll on

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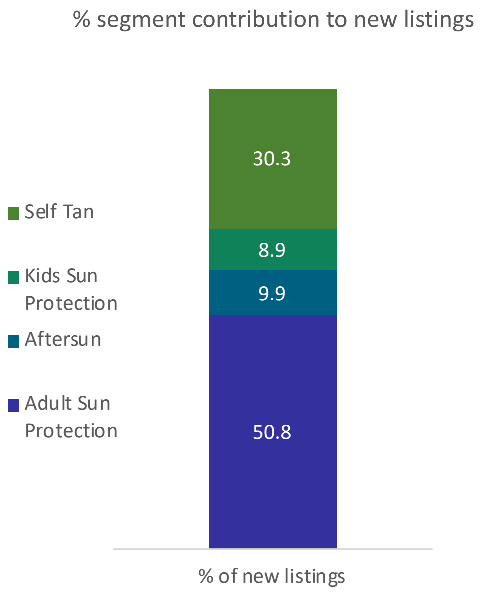
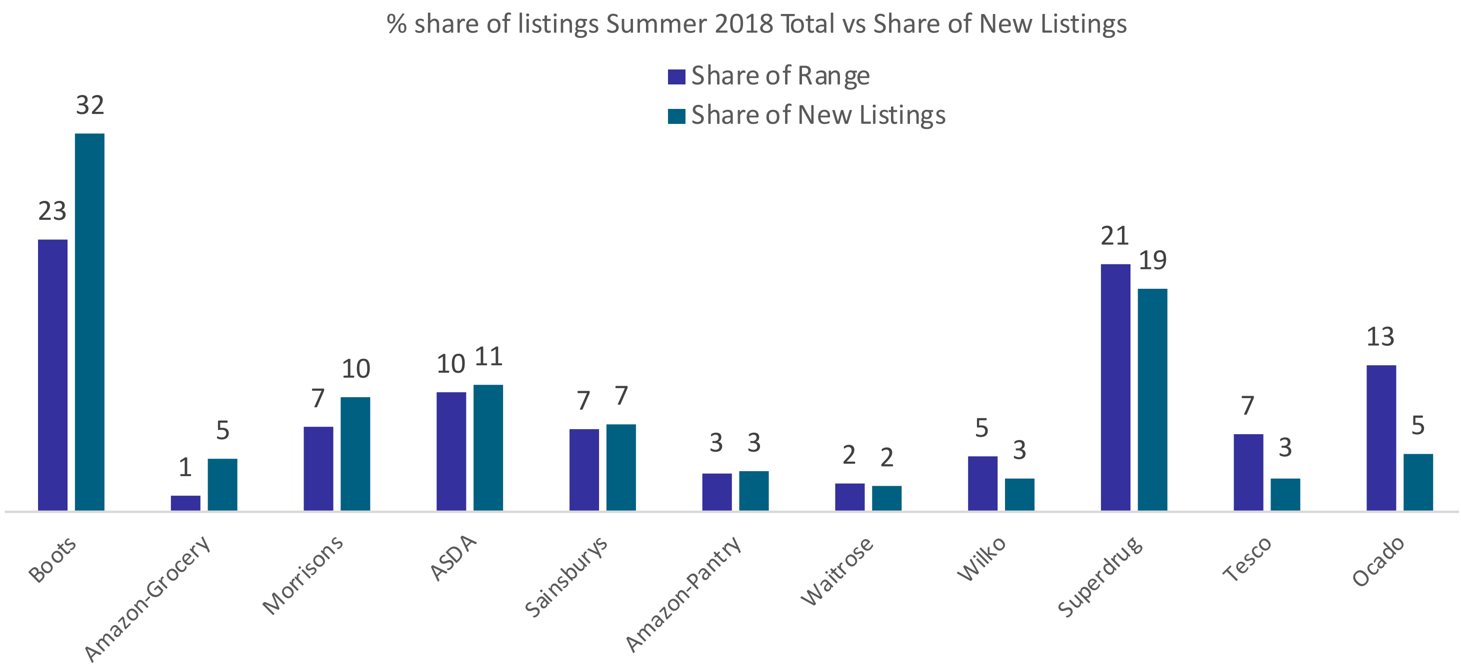
**Source**: national sites only, or central London postcode where required; 554 SKUs not found May - September 2017, but found May – September 2018

# NPD

- New listings were more likely to fall into the Adult Protection and Self Tan segments. Boots, Amazon Grocery, Morrisons and Asda all had a higher share of new listings than their share of total range.

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# Taxonomy

- **Taxonomy**; does positioning sun cream within 'holiday' or 'travel' areas overlook the need to boost frequency of usage and use all year round?
- Dual siting is likely to become more prominent as sun creams get further segmented by occasion i.e. holiday / skiing / weekend in the city / everyday use and product features converge i.e. anti ageing, or self tan with aftersun

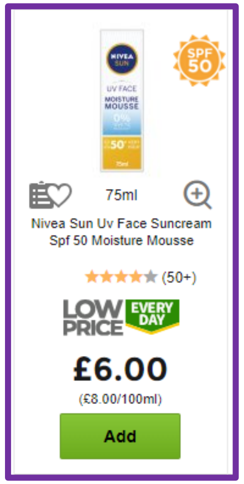
| Retailer | Menu | Search term |
|---|---|---|
| Tesco | Health & Beauty > Suncare & Travel > Suncare | Suncare |
| Sainsbury's | Health & Beauty > Suncare & Travel > (Segments) > Suncream | Suncream |
| Asda | Health & Beauty > Suncare & Travel > Sun Protection > (Segments) > Sun Protection Lotions & Creams | Suncream |
| Morrisons | Toiletries & Beauty > Holiday Shop > Sun Care | Suncare |
| Waitrose | Toiletries , Health & Beauty > Holiday Shop > Sun Creams & Aftersun | Suncream |
| Ocado | Toiletries > Holiday Shop > Suncare | Suncare |
| Boots | Sun Holiday > Suncare > Visit Suncare > Sun cream | Suncream |
| Superdrug | Toiletries > Travel > Sun cream > Sun cream<br>Alt Skin > Sun Care > Sun Protection Creams | Suncream |
| Wilkos | Holiday shop > Suncream | Suncream |
| Amazon Grocery | Beauty > Sun Care & Tanning > Sunscreens | Suncream |
| Amazon Pantry | Health, Beauty & Baby > Skin Care > Sun Care & Tanning | Suncare |

# Product Images

- **Product images** for the SKUs in the first position on shelf vary in terms of being able to easily scan images for product benefits like SPF, UVA / UVB protection levels


Tesco; Not a mobile ready, hero image – had to see SPF and white on white is hard to see and doesn’t give warmth to a ‘holiday’ category


Sainsbury’s; SPF clearer as is ‘’pocket size’ but these credentials could be exploded out as well as reassurance that this is the best for kids




Asda; Lozenge for SPF but hard to tell this is a face cream vs all over body


Morrisons; Highlight on bottle makes text hard to read. ‘Deep’ colour in title, but could be brought more to life with lifestyle image


Waitrose; SPF could be clearer, as well as cues that this is for kids, but it is clearly a spray to the format is discernible


Ocado; SPF is called out on lozenge and veggie credentials. A challenger brand might need to use image to establish quality and category authority which is lacking here. Brand is hard to see.

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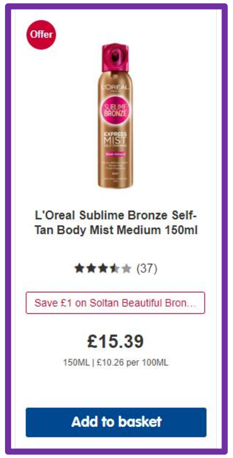
# Product Images

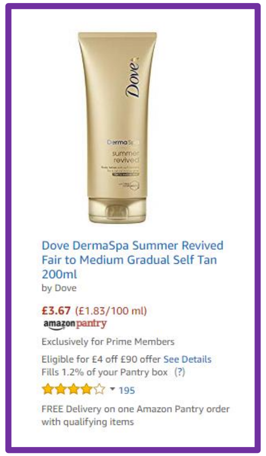



Boots; no hero imaging, so hard to discern the benefits or shade from the image


Superdrug; White on white makes cut through difficult, SPF / UVA/B benefits are not obvious from the image


Wilkos; Pack shows that bottle won't be slippy, but other benefits could be enhanced


Amazon Grocery; SPF is clear, but not other benefits




Amazon Pantry; product name is difficult to make out and no easy colour reference in the image

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# About e.fundamentals

## About e.fundamentals

**The Smartest & Simplest eCommerce insights service.**

The 8 Fundamentals framework is the most precise, accurate and intuitive eCommerce analytics dashboard for brands looking to secure a ROI from their online channels. The keystone feature is the suite of Category Management tools which offer a strategic foundation for long-term growth through online retailers.

This is not a hosepipe of data, This is smarter and simpler category management in action. Visit ef.uk.com for more info.

## Insights by Helen

**Helen Thomas**
**Insight Manager**

Helen's background is steeped in data and insights. Previously she worked within the drinks industry at Heineken, focused on off- trade market analysis, then as Insight Manager at Genius Foods.

As Insights Manager at e.fundamentals, Helen is responsible for what's what in eCommerce.

## Get in touch

**Cheryl Haggerty**
**Customer Success Director**

A strong track record of delivering sales growth with 20 years experience, Cheryl has worked within agencies across field marketing, contact centres, experiential & omnichannel personalisation. Most recently, as the Business Development & Strategy Director at Catalina Personalised Digital Media she supported brands & retailers to deliver their strategy. Cheryl worked closely with P&G, Diageo, Barclaycard, Camelot, BT and others to drive their sales growth across instore & eCommerce.

**E:** cheryl.haggerty@ef.uk.com
**M:** +44 7720 880859

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